



**Andrew Junkin, CFA, CAIA**  
**Managing Director & Principal**

April 28, 2011

Dr. George Diehr  
Chair of the Investment Committee  
California Public Employees' Retirement System  
400 Q Street  
Sacramento, CA 95814

Re: Global Fixed Income Delegations

Dear Dr. Diehr:

You requested Wilshire's opinion with respect to the proposed revisions to the delegated authority with respect to Global Fixed Income.

**Recommendation and Discussion**

**Wilshire recommends that the Investment Committee approve the proposed delegated authority. These changes reflect the fact that inflation linked bonds and commodities are now being managed by the Global Fixed Income team. Additionally, the proposed delegated authority allows Staff to manage the new Liquidity Program. The proposed revisions will allow these components of the CalPERS portfolio to managed efficiently going forward, subject to the appropriate policies.**

Should you require anything further or have any questions, please do not hesitate to contact us.

Best regards,

A handwritten signature in black ink, appearing to read 'Andrew Junkin'.